

Organizational Behavior/Human Resources Management 615

Managing Professional Relationships: Winter 2004

Class 6 (1/22/2004)

Professor Jane E. Dutton

University of Michigan Business School

Teaching Notes

DEALING WITH CORROSIVE RELATIONSHIPS AT WORK

Goals of the class:

- 1) Become aware that corrosive relationships are pervasive. They have a devastating effect on trust, performance and health
- 2) Learn strategies to deal with corrosive relationships
- 3) Understand how corrosive relationships can be prevented

Dutton started the class addressing administrative issues about assignments and the simulation. Students were invited to pick up a questionnaire and fill it out before the next class. She also made available a handout with comments by five experts on the Case of the Temperamental Talent.

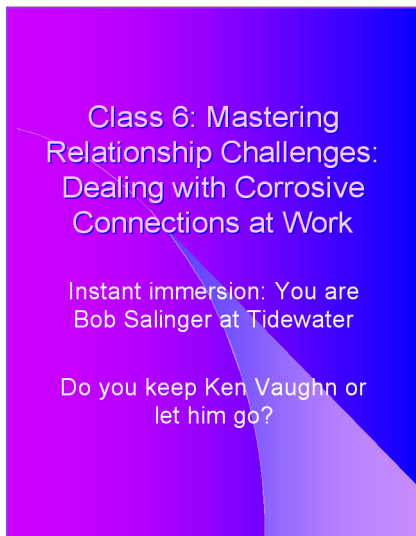
Slide 0.1 leftover businesses from the class on Trust.

Some of our culture biases left unchecked may undermine trust. Here is a list of pitfalls to keep in mind:

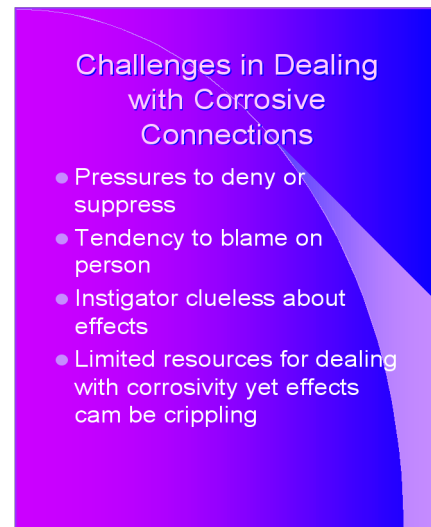
- Beware of quick fixes, that undermine the long term relationship
- Beware of trying to look smart, when the other is not emotionally open to listen
- Beware of giving in to the pressures to do your job ignoring the needs and concerns of others
- Beware of second guessing, by assuming that you know how others think and feel
- Beware of being reactive instead of responsive and open
- Beware of reducing differences. Tests for accuracy. Trust is co-created through a process of mutual influence

Become aware of your own attachment style. We need different things to be able to trust. We develop our styles early on in life.

Research shows that we have a built in bias when it comes to trust. We believe that others find us much more trustworthy than they do.



Slide 1



Slide 2

Slide 1

The case of the Temperamental Talent

As students walked into the class they found signs that instructed them to seat either on the left or the right half of the room depending on whether they had decided to keep Ken Vaughn or let him go.

First students were asked to define the problem.

- Some students defined the problem from Ken's perspective. A reorganization that Ken and others deeply resent is being implemented over their head. He is reacting on instinct. He is sending messages that he is not OK with the reorganization and management is not paying attention. "Management doesn't know what is going on with Ken." There are lots of problems in the organization and people are reacting differently."
- Others, framed the problem as one of organizational integrity, fairness and safety. When an employee who uses violence, smashes property and is uncivil to coworkers is allowed to stay, the wrong message is sent out. "Yes, he is under stress and so is everybody else." "I wouldn't want to work in a place where people are violent."
- Others saw the problem as a contextual one. Increased competition is putting pressure on the organization, creating uncertainty about job security and the future. "The organization has made Ken indispensable." "They have treated him differently because they know how valuable he is."
- Others saw the problem as a classical example of a reorganization effort badly executed, without buy in and no outlet for employees to vent their emotions. Ken is only a symptom of a much bigger problem. "Firing Ken is avoiding a much bigger problem."

Next, students addressed what to do with Ken. Many felt that Bob should talk to him. Present him with alternatives; ask him to take a leave of absence, etc.

At this point Dutton decided that the students needed a reality check and called for a role-play. One student volunteered to be Ken and another Bob. Bob's task was to negotiate with Ken to bring him on board and get a commitment that he would stop his destructive behavior. Ken and Bob were coached by other students on how to behave during the role-play.

Some of the things students liked about Bob's performance:

- He allowed Ken to express what he wants
- He took him very seriously
- Let Ken vent as much as he wanted and tried to negotiate


To the question: what would you have liked Bob to do more of?

- Be more stern with Ken
- Get Ken to buy in, get his input on the reorganization
- Set stronger boundaries. "I need you to do A, B, C."
- Call Ken on lack of cooperation with company's goals
- Say what he needs from Ken and explore alternatives together

In closing the exercise, Dutton remarked that bosses don't addressing problems that are festering are a huge source of "corrosiveness." In this situation Ken is in a very difficult position. His old friend Bob, brought Morris to do the reorganization and he has been left out of a process that had a direct impact on both his department and his work.

Core Assumptions

1. Connections with others at work that are characterized by low regard, disablement and/or distrust are corrosive



- They eat away at an individual's sense of self, competence, hope in the future and capacity to act
- Leave people in a deteriorated, impaired state— psychologically and physiologically

Slide 3

Slide 3

States the psychological and physiological impact of corrosive connections

2. Toxicity is inevitable in organizations

- National polls, 90% see incivility as worsening problem
- 50% of 327 front line workers indicated mistreatment in last 3 years
- 1/3 of more than 600 nurses experienced verbal abuse in previous 5 days of work
- "All leaders, good and bad, create toxins (evoke some emotional pain). The better leaders know they need to clear up the toxins and support the people who do the vital toxin handling work"

Slide 4

Slide 4

Illustrate the pervasiveness of toxicity in the work place

Toxicity handled in at least two ways

- Toxin handlers (another person deals with the pain)
 - E.g., listen to pain, suggests solutions, carry confidences of others
- You deal directly with the pain and corrosive connection

Slide 5

Slide 5

List the two fundamental ways of dealing with toxicity in organizations.

- A third person handles the toxicity. This person may act as mediator between the toxic person and others. She can serve as a confidant, allowing people to express their pain, fear and frustration.
- You deal directly with the corrosive connection

Slide 6


Typology of Strategies for dealing with Corrosive Connections

A Typology of Different Strategies for Dealing with Corrosive Connections

- Bound and Buffer
- Buttress and Strengthen
- Target and Transform

Slide 6

Cluster 1: Bound and Buffer




Aim: Construct barriers or create distance that minimizes impact

Forms: Reduce interdependence
Psychological disengagement
Social withdrawing
Armoring

Limits: Doesn't alter the root cause or form of corrosiveness

Cluster 2: Buttress and Strengthen



Aim: Build capacity to bear emotional weight of corrosive connection

Forms: Build stock of spiritual, emotional and cognitive resources.
Find positive meaning.
Finding hope and tapping optimism.
Strengthen self-perception.
Build supportive relationships with others.

Limits: Doesn't alter the root cause or form of corrosiveness

Slide 7**Strategy 1 -- Bound and Buffer**

Can be a very effective strategy to deal with a corrosive situation that is of short duration. It doesn't deal with the root causes of the problem. Because it reduces "interdependency" it is likely to have a negative impact on performance in the long run.

Slide 8**Strategy 2 – Buttress and Strengthen**

It aims at increasing our capacity to deal with corrosive relationships. This is a critical strategy for toxic handlers. People who take on the role of buffer or mediators are at risk of developing emotional and health problems.

This strategy doesn't deal with the root causes of the problem in a direct way. Nevertheless, people who have developed their spiritual and emotional capacity are often able to act as catalysts in launching the transforming [process of toxic people who come into contact with them](#). I added this, should I take it out?

Cluster 3: Target and transform

Aim: Alter root cause of corrosivity through a process

Forms: Minding the relationship
Renegotiation (Kolb & Williams, 2000)

Limits: Most work
Most risk

Slide 9**Strategy 3 – Target and transform**

Its aim is to alter the root causes of the problem and transform the relationship. This strategy is risky, time consuming and it requires skills and emotional capacity. Corrosive relationships that are left to fester are more difficult to change. Chances of success are greater when negativity is addressed on a timely basis. [Do you agree?](#)

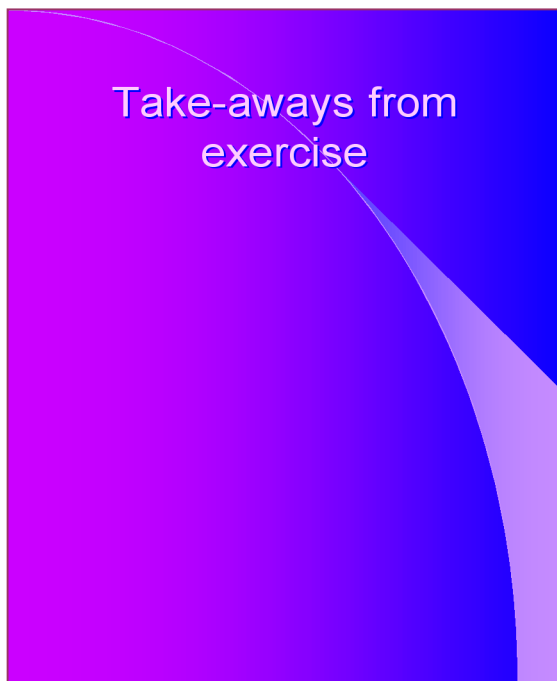
Good leaders "clean" and address the pain in the organization. They realize that "negativity" saps people motivation and damages performance.

Slide 10

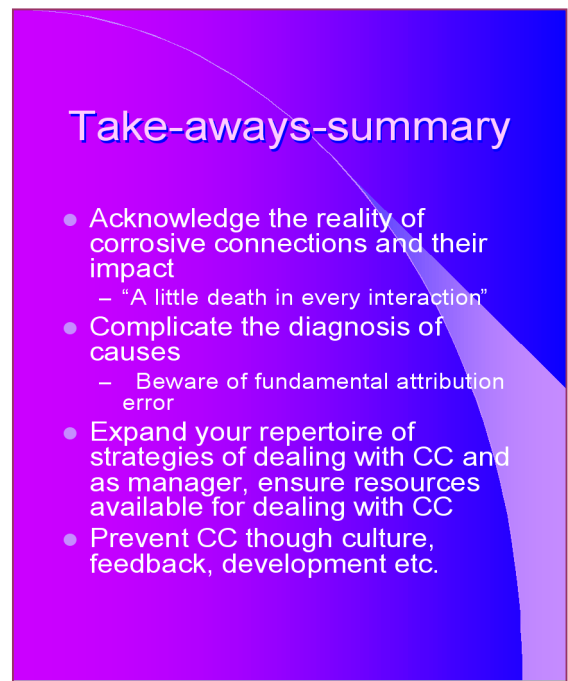
Gives instruction for a problem solving exercise

Real-time problem solving

- Groups of 3
- Identify a corrosive connection that one of you is currently dealing with (disguise names)
- Describe
- Identify more than one action step that your member could take tomorrow to improve the situation



Slide 11



Slide 12

Slide 11

Instructions: write for you, one take-away about corrosive relationships

- Setting small goals. Look at relationship as a process that evolves in time
- Step back when overwhelmed by negative emotions
- Look for the underlining problem. Check your thinking, don't assume you know
- Take steps early on
- People need different things. Take into account the larger situation. Tasks and relationships are intertwined. They cannot be separated.

Slide 12

Summarizes the most salient points about the reality of corrosive connections and how to deal with them.

Organizational Behavior/Human Resources Management 615

Managing Professional Relationships: Winter 2004 Class 7 (1/29/2004)

Professor Jane E. Dutton


University of Michigan Business School

Teaching Notes

POWER AND CONNECTIONS

Goals of the class:

- 1) Become aware of how your power and personality create filters and attractors that affect the creation of HQC
- 2) Learn how your Fundamental Interpersonal Orientation-Behavior (FIRO) and the power you hold direct your attention, and influence your goals and desire for connections
- 3) Learn to anticipate how bosses, subordinates, customers and colleagues' relational orientation and power affect their connecting potential.



Class 7:
Power and connection

- **Leftovers**
 - Simulation this Sat: Wyley Hall– 2nd floor)
 - Log #2 due tomorrow by 4:30–electronic submission is fine
 - Next Tuesday: Reuters Case write-up
 - Details for the “Exemplar of Relational Capability” (hand-out)

Slide 1



Power as a relationship challenge

- Best boss reflections
- “Managing your boss” punchline?
- Power and personality shaping connection possibilities
- Role play: Power and connection
- Power filters
- Personality: FIRO-B
- Personality filters
- Take-aways

Slide 2

Slide 1

Leftovers

Dutton started the class addressing administrative issues about assignments and the simulation. She reminded students about the Relational Capability assignment.

Instructions for the assignment are in Appendix xx. Students will create posters with their analysis of an organization relational capability and these posters will be displayed. Students will be able to see each other work, ask questions and give feedback by assigning gold stars to the work they like best.

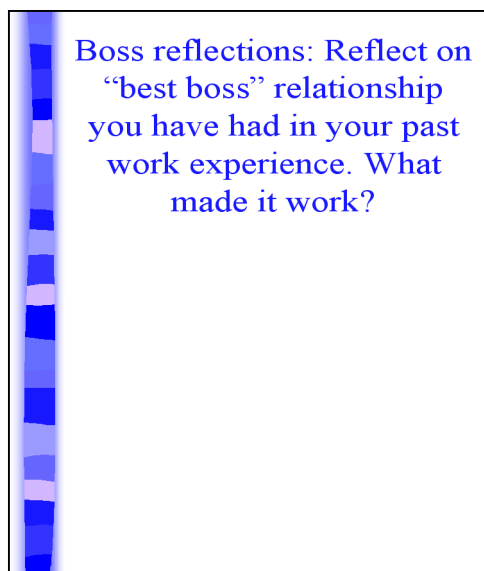
Slide 2

Power as a relational Challenge

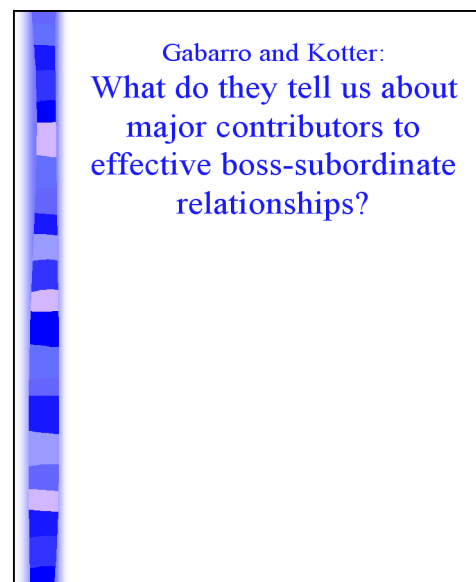
Dutton points out that Power is her favorite topic. If we are interested in organizations we have to be interested in power. Organizations are essentially ways of distributing power. The great challenge is how can we harmonize the need for power differentials in order to achieve goals and “mutuality,” which are needed to achieve HQCs.

Personality FIRO-B questionnaire is an instrument that is often used to gauge interpersonal relational needs. It offers one way of looking at relationships, but it can be useful in making us reflect on some of the dimensions that are important in relationships.

If we buy the FIRO-B profile, how will impact the way we relate to others? How can it help us? These are worthy questions to ponder.



Slide 3



Slide 4

Slide 3

Invites students to reflect on what made their relationship with their “best boss” work? After a couple of minutes of silent reflection Dutton asked students to share their thoughts. The brought in a flood of answers, here are the highlights:

- Direct communication, transparency, having the same goals
- Boss was “there,” sharing hardships – his presence boosted morale
- Boss had a vision, everything fit into it. He made it tangible and understandable. There was no confusion. We knew where we stood. He gave a sense of direction.
- He had confidence in me. He believed that I would do a good job. Let me run with my ideas.
- He respected my expertise. He admitted when he didn’t know something. But when he knew better he let me have it. He challenged me. He used his power to let me do things.
- He treated me as special and needed. He valued me.

- He put his money where his mouth was. He went to great length to entice me to stay when I got a better offer.
- She never asked me to do something she would not do herself.
- She gave me the resources to do the job
- He understood my strengths and weaknesses and worked around them. This comment gave rise to a rejoinder: When somebody plays too much to the strengths and avoids addressing weaknesses there is no growth. A lengthy debate ensued. Dutton remarked that there is compelling evidence that shows that playing to our strengths is a better strategy than shoring up weaknesses.

To the question, which of these elements is more important when it comes to power?

- Boss conveys trust and allows for mistakes. This increases our capacity to act.
- When there is excitement about ideas, when in spite of power differences you feel supported. It is important because when we are in a subordinate position we are more vulnerable.

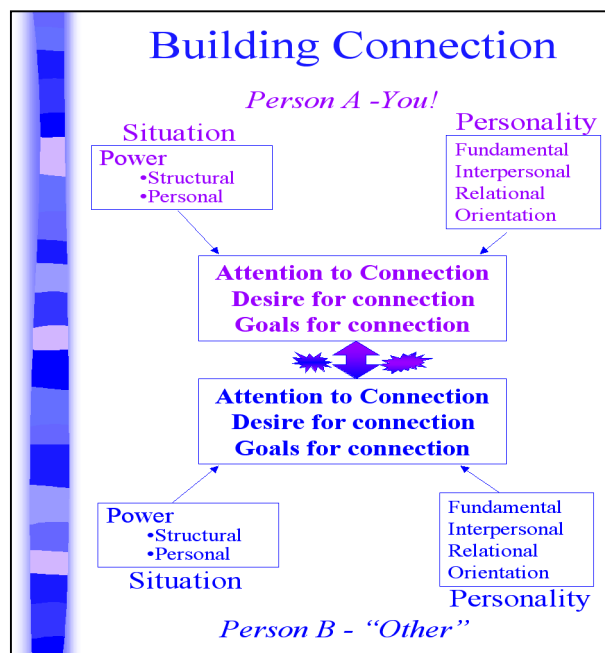
Another discussion took place when a student wondered about the differences between being a boss and a parent. Parents are more tolerant. They love unconditionally. The system of incentives is different and so are the goals. A parent wants what is best for the child, while the boss wants what is best for the company. Dutton remarked that is not that different when **what is better for the company is to get the most out of employees in ways that is better for the person as well.**

Slide 4

Gabarro and Kotter and effective boss-subordinate relationship

Gabarro and Kotter is the classic article on boss-subordinate relationship from the perspective of the subordinate. Major ideas:

- Bosses are people too. They have their own needs and they need the cooperation of their subordinates.
- It pays for a subordinate to get to know their bosses
- We need to be aware of the other person in relationship with us.
- We better assume that they don't know what is best for us. We have to educate them.
- Who controls the relationship? In HQCs the control is mutual.



Slide 5

Slide 5

Shows the elements that play a role in building connections

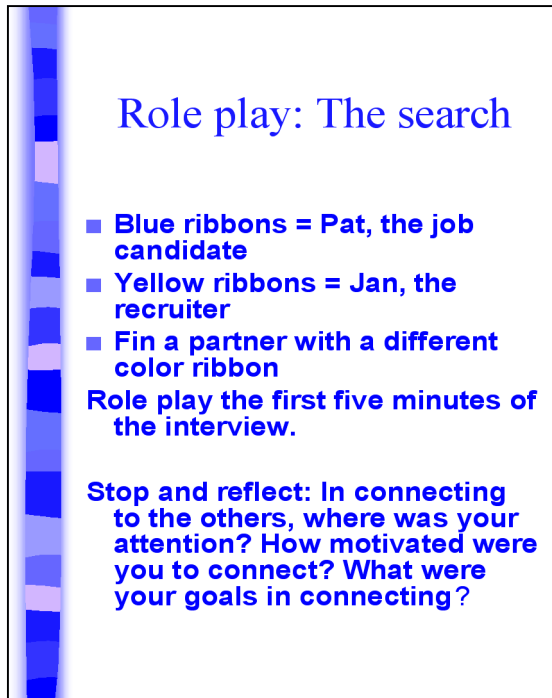
Our personality and the situation we find ourselves in will shape 1) whether or not we pay attention to connection, 2) whether we desire them and 3) to what end we connect.

Slide 6

Slide 6

Power-filter and Connections

Research shows that when people are more powerful they rapidly become more expressive in their gestures, more assertive and pay less attention to those in lower power situations. Managers need to be very aware of this inherent bias. If they want to cultivate HQCs with subordinates they will have to work hard at compensating for the bias toward unbalance.



Role play: The search

- **Blue ribbons = Pat, the job candidate**
- **Yellow ribbons = Jan, the recruiter**
- **Find a partner with a different color ribbon**

Role play the first five minutes of the interview.

Stop and reflect: In connecting to the others, where was your attention? How motivated were you to connect? What were your goals in connecting?

Slide 7

Slide 7

Role play: the job interview

Students are asked to engage in a role play. At the beginning of class blue and yellow ribbons were distributed randomly. Students holding blue ribbons would play Pat while yellow would play Jan. Students also received a paragraph describing the circumstances, motivations and needs of Pat and Jan as they come together for the interview (Appendix xxx).

After playing for five minutes students had time to reflect on where was their attention, how motivated (willing) to connect and what were the goals of the connection.



Connecting across power

Recruiter (Jan) Applicant (Pat)

Attention to connecting

Motivation to connect

Goals for connection

Slide 8

Slide 8

Debriefing the questions asked on previous slide.

Attention was on:

- speed of action
- Thoughtfulness
- other's response, did she get it?
- facial expression, eye contact

- look for clues, reading between the lines, what is she looking for?


Motivation:

- genuineness
- speaking from the heart
- energy, excitement

Goals:

- commitment to the job before having it
- for her to prove to me that this is really as good an opportunity as it sounded


Dutton used the role play to illustrate the quick differences that happen I attention to connection, desires to connect and goals for connection, and the challenges of building a HQC in that context.



Biggest challenges in connecting across the power divide

- Paying adequate attention to situation of the other, differences in working styles and differing sense of interdependence
- Finding common goals and mutual expectations that keep motivation aligned
- Knowing one's own preferences and hot buttons

Slide 9



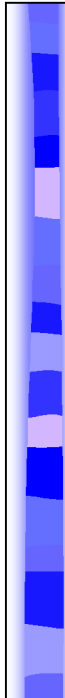
Personality and connection

- FIRO= Fundamental interpersonal relations orientation
- Designed to explain how interpersonal needs affect interpersonal behavior
- Indivs. differ in interpersonal needs along 3 dimensions:
 - **Inclusion:** Need to establish and maintain contact with others
 - **Control:** need to have influence or control over others
 - **Affection:** need to have close personal relationships with other people

Slide 10

Slide 9 Summarizes biggest challenges in connecting across the power divide

Slide 10 Gives some basic information about FIRO
Dutton walked the class through the steps of scoring and interpreting the FIRO-B questionnaire.



Using FIRO-B to predict “what works” with you as a boss

- Focus on what are your dominant interpersonal needs (highest cell total and highest total column total)
- What behaviors can people use to build connections that are likely to work?

Slide 11



Take-aways

- Your power and personality create filters and attractors that affect the creation of HQC
- Pay attention to how your FIRO and power create attention, desire and goals for connection
- Anticipate how a colleague, boss's, subordinate's or customer's FIRO and Power affect their connecting potential
- Try to customize your connecting strategy

Slide 12

Slide 11 Shows how FIRO-B can be used to predict other's behaviors

Slide 12 Summarizes the most important lessons about how power and personality interact

Organizational Behavior/Human Resources Management 615

Managing Professional Relationships: Winter 2004 Class 9 (2/03/2004)

Professor Jane E. Dutton

University of Michigan Business School

Teaching Notes

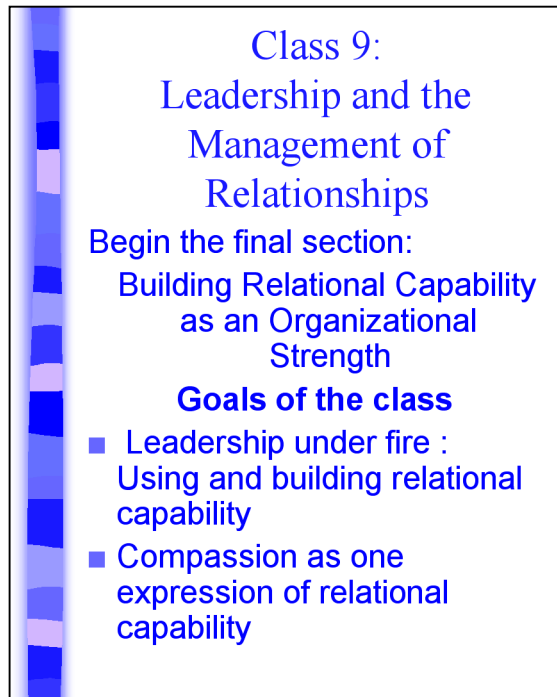
LEADERSHIP AND THE MANAGEMENT OF RELATIONSHIPS

Goals of the class:

- 1) Leadership under fire: Using and building relational capability
- 2) Compassion as one expression of relational capability

Videos and materials needed:

- 1) Video tape of Phil Lynch to the Business School
- 2) Audio tape of Phil Lynch at first town-house meeting 10 days after September 11



Class 9:
Leadership and the
Management of
Relationships

Begin the final section:
Building Relational Capability
as an Organizational
Strength

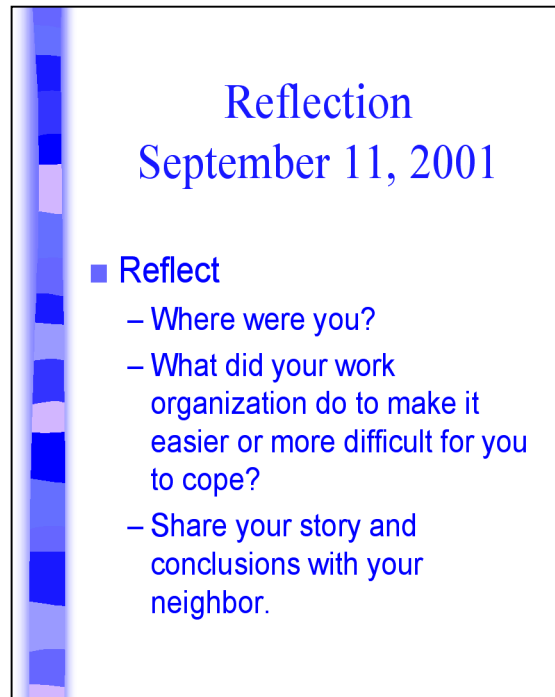
Goals of the class

- Leadership under fire :
Using and building relational
capability
- Compassion as one
expression of relational
capability

Slide 1

Slide 1

Sets the stage for the class



Reflection
September 11, 2001

- Reflect
 - Where were you?
 - What did your work
organization do to make it
easier or more difficult for you
to cope?
 - Share your story and
conclusions with your
neighbor.

Slide 2

Dutton remarked that she taught this class over the summer and it never occurred to her that the content could be too upsetting for some students. Several students had approached her asking to be excused from attending the class and the writing of the Executive memo: case analysis of Reuters. Any other student who may wish to skip the class may do so.

This class on leadership management of relationships marks a transition in the course. The focus shifts from the individual to the organization.

The Reuter's case is an example of leadership under fire. It is the story of one person Phil Lynch interacting with the organization in a way that took the relational capabilities of the organization to new levels and allowed them to do unimaginable things.

Dutton mentions the work she and other colleagues have done in the Compassion Lab over the years. Research shows that compassion plays a positive role in strengthening the relational capabilities of the organization. Today increased competition and a weak economy make more necessary than ever the healing capacity of compassion.

Slide 2

Reflection – September 11, 2001

Asks students to reflect on the questions posed for five minutes and share their story with a neighbor.

After a period of sharing Dutton asked for volunteers to share their stories with the class. She asked first for positive stories where organizations **responded well** to the emergency.

There were few mentions about flexibility, allowing people to stay home with their families. Questions were asked about the U of M response. Dutton answered that the university provided initial help. Students and faculty had a sense of not being alone. This was not the case at other universities.

Next came stories of companies that **mishandled** the situation. In one story, the company initially responded well, allowing time off for employees, having a funeral mass for those who died. But after a couple of weeks a boss from Chicago was flown in and he tried to go back to business as usual. He didn't show any empathy. Lots of people left the company.

Another story was about a boss who "didn't get it." "I had to convince her to let people go home." There were callous remarks, when employees asked to be allowed to donate blood: "why do you want to do that, they are all dead already."

In DC a few blocks from the Pentagon a boss was at a loss looking around for other people to make the decisions.

Dutton reported that 85% of the companies nationwide did nothing. They didn't give time off to employees to check on loved ones. There is a considerable variance in responses. Some are due to individual differences, but culture is a big part of the picture. There are cultures that enable and support positive collective responses, while other inhibit them.

In time of stress we act on automatic pilot and enact those approaches that have been tried again and again to the point that they have become ingrained.




The Heart of Reuters

The context

- Reuters
 - Biggest news org in the world
 - Biggest distributor of New York Stock exchange news
 - Generates 92% of revenue from financial services (transaction services on foreign exchange, pricing services on equities, bonds, money markets, commodities, etc.)
 - Main customers are biggest banks and brokerage firms
 - Media cos. use Reuters info in newspapers and news reports

Slide 3



Phil Lynch

- Became CEO September 1, 2001
 - Responsibility for Reuters Sales, Reuters Consulting, Customer Service. And Support Operations in US, Canada and Latin America
 - 1/2001-9/2001 Co-Chief operating officer
 - 1998-1999 Exec VP and National Sales Director

Slide 4

Slide 3 Summarizes some basic facts about Reuters

Slide 4 Gives basic information about Phil Lynch

Dutton played parts of the video tape of Phil Lynch's presentation at the Business School months after September 11

The rest of the class was devoted to a debriefing of the Reuters case. Dutton sought student's view along three dimensions:

- Important actions taken at Reuters
- Enabling factors
- Leadership

Important actions taken at Reuters:

- They defined very clear priorities, first employees, second clients, third the business
- There was constant communication. They went back to town meetings with two ways communication that links all Reuters employees independently of location

- They decentralized control and allowed people to use resources as they saw fit.
- They automatically went to the Control Center that was the response they had used in preparation for the change of millennium scare.
- They went into triage mode because their business trained them to react in a flexible way to breaking news. This is consistent with Maslow hierarchy of needs. Survival was at stake in this situation.

Enabling factors:

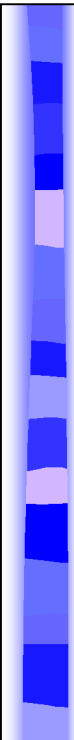
- They had people with character and integrity in key positions. These people were able to see the situation from the right perspective. They were guided by their values.
- Dutton asked, how come Reuters had such people? Were they extraordinary in the first place or there is something about Reuters business culture that breeds character and integrity? Do you need integrity to be successful in the company?
- Reuters delivers bad news to the world. They had experience dealing with unexpected tragedies. They had built in capacity.
- They were able to go back to work in a way that didn't have a negative effect. They felt that work had a higher purpose. They gave work meaning beyond the product itself.
- They prided themselves on been able to get the bond markets???? back up. This was remarkable because leadership may try to manipulate people's emotions to get them back to work.
- Leaders could enlist people because they were "other centered." They genuinely cared for the people and were moved by their mission. It was not a crass attempt at making money. They were not instrumental.
- People were able to trust each other. They must have had norms that allowed for trust and respect to flourish.
- Dutton remarked that all employees can look back on the experience and feel great about what they accomplished. They have greater cohesion. They didn't know that they had greatness in them. Reuters wanted the university team to write the story because they are aware that the heightened cohesion can evaporate fast.

Leadership (what Phil did?):

- He allocated responsibility and allowed people to get resources locally without central approval.
- He stayed there. He was present and engaged throughout. This is the power of presence.
- He collected information from everybody. He sought constant updates and tried to form a "big" picture, which he then shared with everybody.
- Dutton asked, how did he know how to create a "big" picture? How does leadership contributes to the relational capability of the whole?
- He admitted openly that he was scared. This is a paradoxical duality. He was both strong and vulnerable.
- He showed a great great capacity to deal with his and everybody's "emotions."

Dutton played parts of the audio-tape of the town-house meeting 10 days after September 11. What was helpful in what he said?

- The idea of continued communication
- It sounds unscripted. Its like a real conversation
- He shows pride and talks about we and us. He infused work with deeper meaning. He goes for what is the essence of Reuters
- He is down to earth, able to relate at the same level with others.
- Dutton remarks that Collins in his book xxxxxx found that the leaders of the best companies were humble and self effacing, not larger than life characters.
- Relational capabilities keeps the best people and helps companies to weather difficult times when downsizing is necessary, as it happened at Reuters after the September 11 crisis.



Take-Aways

- Leaders' actions, words, demeanor send important signals about the meaning and importance of connection –
- Leadership defines, embodies, reinforces the conditions for connection that build relational capability of the whole (by providing and meaning and context for action)
- Power of respectful engagement, trusting, task enabling, inspiring by a leader, especially under fire, to upgrade and solidify the relational capability of the whole
- What you do, say, embody and exemplify in the day-to-day interactions and under fire matters for building the relational capability of the whole.

Slide 5

Slide 5

Summarizes main ideas presented in this class

